

Suspend the Rules And Pass the Bill, H.R. 5603, with Amendments

(The amendments strike all after the enacting clause and insert a new text and a new title)

117TH CONGRESS
1ST SESSION

H. R. 5603

To amend title 38, United States Code, to establish protections for a member of the Armed Forces who leaves a course of education, paid for with certain educational assistance, to perform certain service.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 15, 2021

Ms. UNDERWOOD introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to establish protections for a member of the Armed Forces who leaves a course of education, paid for with certain educational assistance, to perform certain service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protections for Stu-
5 dent Veterans Act”.

1 **SEC. 2. ESTABLISHMENT OF PROTECTIONS FOR A MEMBER**
2 **OF THE ARMED FORCES WHO LEAVES A**
3 **COURSE OF EDUCATION, PAID FOR WITH**
4 **CERTAIN EDUCATIONAL ASSISTANCE, TO**
5 **PERFORM CERTAIN SERVICE.**

6 (a) ESTABLISHMENT.—Chapter 36 of title 38,
7 United States Code, amended by inserting after section
8 3691 the following new section:

9 **“§ 3691A. Withdrawal or leave of absence from cer-**
10 **tain education**

11 “(a) IN GENERAL.—

12 “(1) WITHDRAWAL OR LEAVE OF ABSENCE.—A
13 covered member may, after receiving orders to enter
14 a period of covered service, withdraw or take a leave
15 of absence from covered education.

16 “(2) PROHIBITION ON ADVERSE ACTION.—The
17 institution concerned may not take any adverse ac-
18 tion against a covered member on the basis that
19 such covered member withdraws or takes a leave of
20 absence under paragraph (1). Adverse actions in-
21 clude the following:

22 “(A) The assignment of a failing grade to
23 a covered member for covered education.

24 “(B) The reduction of the grade point av-
25 erage of a covered member for covered edu-
26 cation.

1 “(C) The characterization of any absence
2 of a covered member from covered education as
3 unexcused.

4 “(D) The assessment of any financial pen-
5 alty against a covered member.

6 “(b) WITHDRAWAL.—If a covered member withdraws
7 from covered education under subsection (a), the institu-
8 tion concerned shall refund all tuition and fees (including
9 payments for housing) for the academic term from which
10 the covered servicemember withdraws.

11 “(c) LEAVE OF ABSENCE.—If a covered member
12 takes a leave of absence from covered education under
13 subsection (a), the institution concerned shall—

14 “(1) assign a grade of ‘incomplete’ (or equiva-
15 lent) to the covered member for covered education
16 for the academic term from which the covered mem-
17 ber takes such leave of absence; and

18 “(2) to the extent practicable, permit the cov-
19 ered member, upon completion of the period covered
20 service, to complete such academic term.

21 “(d) DEFINITIONS.—In this section:

22 “(1) The term ‘covered education’ means a
23 course of education—

24 “(A) at an institution of higher education;
25 and

1 “(B) paid for with educational assistance
2 furnished under a law administered by the Sec-
3 retary.

4 “(2) The term ‘covered member’ means a mem-
5 ber of the Armed Forces (including the reserve com-
6 ponents) enrolled in covered education.

7 “(3) The term ‘covered service’ means—

8 “(A) active service or inactive-duty train-
9 ing, as such terms are defined in section 101 of
10 title 10; or

11 “(B) State active duty, as defined in sec-
12 tion 4303 of this title.

13 “(4) The term ‘institution concerned’ means,
14 with respect to a covered member, the institution of
15 higher education where the covered member is en-
16 rolled in covered education.

17 “(5) The term ‘institution of higher education’
18 has the meaning given such term in section 101 of
19 the Higher Education Act of 1965 (20 U.S.C.
20 1001).

21 “(6) The term ‘period of covered service’ means
22 the period beginning on the date on which a covered
23 member enters covered service and ending on the
24 date on which the covered member is released from
25 covered service or dies while in covered service.”.

(b) CLERICAL AMENDMENT.—The table of contents at the beginning of such chapter is amended by inserting after the item relating to section 3691 the following new item:

“3691A. Withdrawal or leave of absence from certain education.”.

SEC. 3. IMPROVEMENTS TO ASSISTANCE PROVIDED FOR CERTAIN FLIGHT TRAINING AND OTHER PROGRAMS OF EDUCATION.

(a) USE OF ENTITLEMENT FOR PRIVATE PILOT’S LICENSES.—Section 3034(d) of title 38, United States Code, is amended—

(1) in paragraph (1) by striking the semicolon and inserting the following: “and is required for the course of education being pursued (including with respect to a dual major, concentration, or other element a degree); and”;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) ACCELERATED PAYMENTS FOR FLIGHT TRAINING.—Section 3313 of such title is amended by adding at the end the following new subsection:

“(m) ACCELERATED PAYMENTS FOR CERTAIN FLIGHT TRAINING.—

“(1) PAYMENTS.—An individual enrolled in a program of education pursued at an institution of

1 higher learning in which flight training is required
2 to earn the degree being pursued (including with re-
3 spect to a dual major, concentration, or other ele-
4 ment of such a degree) may elect to receive acceler-
5 ated payments of amounts for tuition and fees deter-
6 mined under subsection (c). The amount of each ac-
7 celerated payment shall be an amount equal to twice
8 the amount for tuition and fee so determined under
9 such subsection, but the total amount of such pay-
10 ments may not exceed the total amount of tuition
11 and fees for the program of education. The amount
12 of monthly stipends shall be determined in accord-
13 ance with such subsection (c) and may not be accel-
14 erated under this paragraph.

15 “(2) EDUCATIONAL COUNSELING.—An indi-
16 vidual may make an election under paragraph (1)
17 only if the individual receives educational counseling
18 under section 3697A(a) of this title.

19 “(3) CHARGE AGAINST ENTITLEMENT.—The
20 number of months of entitlement charged an indi-
21 vidual for accelerated payments made pursuant to
22 paragraph (1) shall be determined at the rate of two
23 months for each month in which such an accelerated
24 payment is made.”.

1 (c) FLIGHT TRAINING AT PUBLIC INSTITUTIONS.—

2 Subsection (c)(1)(A) of such section 3313 is amended—

3 (1) in clause (i)—

4 (A) by redesignating subclauses (I) and
5 (II) as items (aa) and (bb), respectively;

6 (B) by striking “In the case of a program
7 of education pursued at a public institution of
8 higher learning” and inserting “(I) Subject to
9 subclause (II), in the case of a program of edu-
10 cation pursued at a public institution of higher
11 learning not described in clause (ii)(II)(bb)”;
12 and

13 (C) by adding at the end the following new
14 subclause:

15 “(II) In determining the actual net
16 cost for in-State tuition and fees pursuant
17 to subclause (I), the Secretary may not
18 pay for tuition and fees relating to flight
19 training.”; and

20 (2) in clause (ii)—

21 (A) in subclause (I), by redesignating
22 items (aa) and (bb) as subitems (AA) and
23 (BB), respectively;

1 (B) in subclause (II), by redesignating
2 items (aa) and (bb) as subitems (AA) and
3 (BB), respectively;

4 (C) by redesignating subclauses (I) and
5 (II) as items (aa) and (bb), respectively;

6 (D) by striking “In the case of a program
7 of education pursued at a non-public or foreign
8 institution of higher learning” and inserting
9 “(I) In the case of a program of education de-
10 scribed in subclause (II)”;

11 (E) by adding at the end the following new
12 subclause:

13 “(II) A program of education de-
14 scribed in this subclause is any of the fol-
15 lowing:

16 “(aa) A program of education
17 pursued at a non-public or foreign in-
18 stitution of higher learning.

19 “(bb) A program of education
20 pursued at a public institution of
21 higher learning in which flight train-
22 ing is required to earn the degree
23 being pursued (including with respect
24 to a dual major, concentration, or
25 other element of such a degree).”.

1 (d) CERTAIN PROGRAMS OF EDUCATION CARRIED
2 OUT UNDER CONTRACT.—Section 3313(c)(1)(A)(ii)(II) of
3 title 38, United States Code, as added by subsection
4 (c)(2)(E), is amended by adding at the end the following
5 new item:

6 “(cc) A program of education
7 pursued at a public institution of
8 higher learning in which the public in-
9 stitution of higher learning enters into
10 a contract or agreement with an enti-
11 ty (other than another public institu-
12 tion of higher learning) to provide
13 such program of education or a por-
14 tion of such program of education.”.

15 (e) APPLICATION.—

16 (1) IN GENERAL.—Except as provided by para-
17 graph (2), the amendments made by this section
18 shall apply with respect to a quarter, semester, or
19 term, as applicable, commencing on or after the date
20 of the enactment of this Act.

21 (2) SPECIAL RULE FOR CURRENT STUDENTS.—

22 In the case of an individual who, as of the date of
23 the enactment of this Act, is using educational as-
24 sistance under chapter 33 of title 38, United States
25 Code, to pursue a course of education that includes

1 a program of education described in item (bb) or
2 (cc) of section 3313(c)(1)(A)(ii)(II) of title 38,
3 United States Code, as added by subsections (c) and
4 (d), respectively, the amendment made by such sub-
5 section shall apply with respect to a quarter, semes-
6 ter, or term, as applicable, commencing on or after
7 the date that is two years after the date of the en-
8 actment of this Act.

9 **SEC. 4. ENHANCED LOAN UNDERWRITING METHODS.**

10 (a) IN GENERAL.—Section 3710 of title 38, United
11 States Code, is amended by adding at the end the fol-
12 lowing new subsection:

13 “(i)(1) The Secretary, in consultation with the advi-
14 sory group established under paragraph (3)(A), shall pre-
15 scribe regulations and issue guidance to assist lenders in
16 evaluating the sufficiency of the residual income of a vet-
17 eran pursuant to paragraph (2).

18 “(2)(A) Pursuant to the regulations and guidance
19 prescribed under paragraph (1), in the case of a loan to
20 a veteran to be guaranteed under this chapter, if the vet-
21 eran provides to the lender an energy efficiency report de-
22 scribed in subparagraph (B) —

23 “(i) the evaluation by the lender of the suffi-
24 ciency of the residual income of the veteran shall in-

1 include a consideration of the estimate of the expected
2 energy cost savings contained in the report; and

3 “(ii) the lender may apply the underwriting ex-
4 pertise of the lender in adjusting the residual income
5 of the veteran in accordance with the information in
6 the report.

7 “(B) An energy efficiency report described in this
8 subparagraph is a report made with respect to a home
9 for which a loan is to be guaranteed under this chapter
10 that includes each of the following:

11 “(i) An estimate of the expected energy cost
12 savings specific to the home, based on specific infor-
13 mation about the home, including savings relating to
14 electricity or natural gas, oil, and any other fuel reg-
15 ularly used to supply energy to the home.

16 “(ii) Any information required to be included
17 pursuant to the regulations and guidance and regu-
18 lations prescribed by the Secretary under paragraph
19 (1).

20 “(iii) Information with respect to the energy ef-
21 ficiency of the home as determined pursuant to—

22 “(I) the Residential Energy Service Net-
23 work’s Home Energy Rating System (commonly
24 know as ‘HERS’) by an individual certified by
25 such Network; or

1 “(II) an other method determined appro-
2 priate by the Secretary, in consultation with the
3 advisory group under paragraph (3), including
4 with respect to third-party quality assurance
5 procedures.

6 “(3)(A) To assist the Secretary in carrying out this
7 subsection, the Secretary shall establish an advisory group
8 consisting of individuals representing the interests of—

9 “(i) mortgage lenders;
10 “(ii) appraisers;
11 “(iii) energy raters and residential energy con-
12 sumption experts;
13 “(iv) energy efficiency organizations;
14 “(v) real estate agents;
15 “(vi) home builders and remodelers;
16 “(vii) consumer advocates;
17 “(viii) veterans’ service organizations; and
18 “(ix) other persons determined appropriate by
19 the Secretary.

20 “(B) The advisory group established under subpara-
21 graph (A) shall not be subject to the Federal Advisory
22 Committee Act (5 U.S.C. App.).

23 “(4) The Secretary shall ensure that marketing mate-
24 rials that the Secretary provides to veterans with respect
25 to loans guaranteed under this chapter include informa-

1 tion regarding the use of energy efficiency reports under
2 this subsection.

3 “(5) Not later than one year after the date on which
4 the Secretary issues the regulations and guidance pursu-
5 ant to paragraph (2), and every year thereafter, the Sec-
6 retary shall submit to Congress and make publicly avail-
7 able a report that includes the following information for
8 the year covered by the report:

9 “(A) An enumeration of the number of loans
10 guaranteed under this chapter for which a veteran
11 provided to the Secretary an energy efficiency report
12 under this subsection, including the number of such
13 loans for which cost savings were taken into account
14 pursuant to paragraph (1).

15 “(B) Of the number of loans enumerated under
16 subparagraph (A), an enumeration of the default
17 rates and rates of foreclosure, including how such
18 enumeration compares with the default rates and
19 rates of foreclosure for guaranteed loans for which
20 no energy efficiency report is provided.”.

21 (b) CLARIFICATION OF REQUIREMENTS REGARDING
22 ENERGY EFFICIENCY STANDARDS.—Section 3704(f) of
23 such title is amended by striking “such standards” and
24 inserting the following: “the standards established under

1 such section 109, as in effect on the date of such construc-
2 tion”.

Amend the title so as to read: “A bill to amend title 38, United States Code, to establish protections for a member of the Armed Forces who leaves a course of education, paid for with certain educational assistance, to perform certain service, and for other purposes.”.